



Administrator

Washington, DC 20201

JUL 13 2006

Ms. Joan Miles, Director
Montana Department of Public Health and Human Services
P.O. Box 202951
Helena, MT 59620-2951

Dear Ms. Miles:

We are pleased to inform you that your State Children's Health Insurance Program (SCHIP) State plan amendment (SPA) submitted March 6, 2006, with additional information and revised State plan pages submitted on March 22, 2006, April 21, 2006, and June 7, 2006, has been approved.

This SPA makes numerous technical, clarifying and administrative changes to the title XXI State plan. Specifically, this amendment does the following:

- Eliminates income documentation as a requirement for the SCHIP application process;
- Simplifies the application process by replacing the 16-page Universal Application for multiple health service programs with a 4-page SCHIP application;
- Reduces the waiting period to qualify for SCHIP from a 3-month to a 1-month period in the event of losing health insurance coverage, and adds an exception to the waiting period in cases of a parent's death, loss of job or loss of insurance due to change in employment;
- Adds enhanced mental health services for SCHIP enrollees diagnosed as seriously emotionally disturbed. These services will be delivered through the Mental Health Service Plan, a single statewide fee-for-service program; and
- Increases the enrollment cap from 10,900 to 13,900, as authorized by the 2005 State Legislature.

The SPA also permits private donations to be used as a new source of State funds available for Federal match. In 2003, the Montana State Legislature authorized SCHIP to match up to \$2,100,000 in Federal dollars with private donations as a new source of funds. Over \$10,000 in private donations have been raised to date with the goal for providing health insurance to Montana's uninsured children. The Centers for Medicare & Medicaid Services (CMS) has reviewed Montana's methodology to ensure that these contributions meet the requirements set forth at Federal regulations in 42 CFR Part 433, Subpart B (433.51-433.74). Any change in this methodology would mean that the State has not documented compliance with these requirements and could be subject to sanction. CMS reserves the right to audit any donations that are matched with Federal dollars.

Your title XXI project officer is Ms. Leigh Karwoski. She is available to answer questions concerning this amendment and other SCHIP-related issues. Ms. Karwoski's contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid and State Operations
Mail Stop S2-01-16
7500 Security Boulevard
Baltimore, MD 21244-1850
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Official communications regarding program matters should be sent simultaneously to Ms. Karwoski and to Diane Livesay, Associate Regional Administrator in the Region VIII Office. Ms. Livesay's address is:

Centers for Medicare & Medicaid Services
Division of Medicaid and State Operations
1600 Broadway, Suite 700
Denver, CO 80202

If you have additional questions, please contact Ms. Jean Sheil, Director, Family and Children's Health Programs Group, Center for Medicaid and State Operations at (410) 786-5647.

We look forward to continuing to work with you and your staff.

Sincerely,



Mark B. McClellan, M.D., Ph.D.

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cc: CMS Region VIII, Denver